

Role Health Plans Play in a Disaster



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Guidance when you need it most

Role of Health Plans

The healthcare industry is a part of our nation's critical infrastructure... each of us plays a key role in disaster response situations



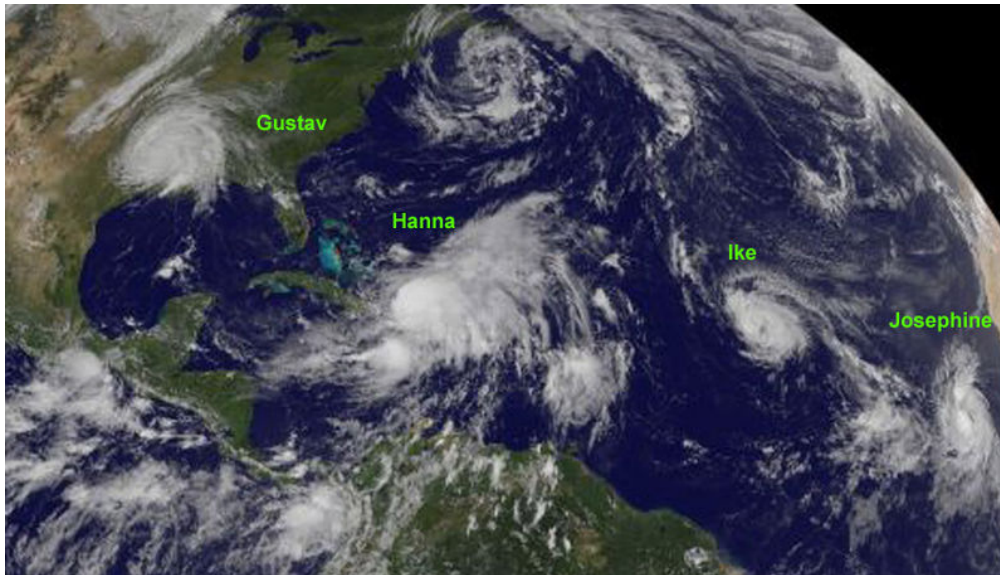
As a health plan the actions we take in responding to any disaster situation are guided by these over-arching principles:

1. Ensure our members have access to care which includes both medical care and prescription drug availability
2. Ensure our providers continue to receive payment for services rendered and covered by plan
3. Ensure compliance with disaster-specific guidance from all regulatory agencies

Disaster Response in 2008

A very active year for disaster declarations

- One of the most active hurricane seasons in the 64 years of record keeping



- Humana's response is shaped by considering the perspective of our different stakeholders, members, employers, providers, and regulatory agencies

Member Support during a Disaster



- Focus on not putting members in the middle for situations outside of their control
- Allow early refill of prescriptions to replace lost drugs or assist if members are forced to evacuate
- Guide members to network provider
- Ensure access to care for our members

Employer Support during a Disaster

- Review data to identify employer groups with members in disaster areas
- Self-funded (also known as ASO) customers bear financial risk and provide guidance that we take for their members
- As the event unfolds we analyze and document guidance we receive and determine how we will implement for our fully insured groups
- Share our approach with ASO groups and ask if they want to enact the same guidance to their members
- Our proactive approach helps employers maintain a consistent approach for their members who are impacted by disaster events



Provider Support during a Disaster



- Active outreach to our market contacts to determine impacts to providers and support we can provide
- We publish information gathered about provider status in documentation our Customer Care Specialists use when assisting members
- Extend timelines for claims submission and/or documentation to support pended claims
- We have internal business continuity plans and processes in place to continue execution of service within our operational areas

Regulatory Agencies

- We operate in a highly regulated industry; federal and state guidelines drive actions
- States' Departments of Insurance provide guidance in many disaster situations requiring action

CMS provides standing guidance related to Medicare members in the event of FEMA disaster and/or Department of Health and Human Services Public Health Emergency, includes:

- Typical in large-scale disasters for CMS to provide additional guidance requiring action
- New guidance from CMS (currently in draft) suggests plans should do what they need to do in order to support Medicare members



An Example of Disaster Response

Hurricanes Gustav and Ike (September 2008)

- Hurricanes Gustav and Ike hit the Gulf Coast within 10 days of each other
- Public Health Emergencies declared for the entire states of LA, TX, MS, and AL; FEMA declared disasters in certain counties within these states
- LA DOI issued guidance relative to counties impacted by Gustav, later modified to include counties impacted by Ike; counties did not mirror those declared by FEMA
- TX DOI issued guidance relative to counties impacted by Ike; counties did not mirror those declared by FEMA
- Large ASO group directed adjustments to claims processing for members in various LA counties; start / end dates were different based on specific counties



Humana's Response

- We had over 2 million members residing in counties declared disaster areas
- Initial actions taken:
 - Humana's standing Crisis Management Team reviewed / interpreted LA and TX DOI guidance to determine required actions, which included:
 - Continued to monitor DOI sites for changes in guidance and/or timeframe



Challenges Health Plans Face



- Visibility to disasters that have occurred and subsequent CMS and/or DOI guidance issued
 - Must be in compliance with federal regulations as well as those in all 50 states
 - All decisions are not our own
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- Disasters appear to be occurring more frequently and with greater impact